

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of the Joint Application of	)	
	)	
<b>Richard W. Ryan</b>	)	
<i>Transferor</i>	)	
	)	
and	)	WC Docket No. 19-_____
	)	
<b>Hunter Communications Holdings LLC</b>	)	IB File No. ITC-T/C_____
<i>Transferee</i>	)	
	)	
For Grant of Authority Pursuant to Section 214	)	
of the Communications Act of 1934, as Amended, and	)	
Section 63.04 and 63.24 of the Commission’s Rules	)	
to Complete a Transfer of Control	)	
	)	
	)	

**JOINT DOMESTIC AND INTERNATIONAL APPLICATION**

Richard W. Ryan (“Transferor”) and Hunter Communications Holdings LLC (“Hunter Holdings” or “Transferee”) (and jointly, “Applicants”) hereby respectfully request authorization, pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (the “Act”), and Sections 63.03 and 63.24 of the Commission's Rules, 47 C.F.R. §§ 63.03, 63.24(e), to transfer control of Hunter Communications, Inc. (“Hunter Communications” or “Licensee”) from Richard W. Ryan, the current owner of all of the capital stock of Hunter Communications, to Hunter Holdings.<sup>1</sup>

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<sup>1</sup> As part of the transaction, Hunter Communications will convert from a corporation to a limited liability company prior to closing. As a result, references herein to Hunter Communications should be construed as references to this entity as a limited liability company upon completion of the transaction. Licensee will submit the appropriate *pro forma* notification in connection with the conversion following its completion.

Hunter Communications is certificated and operates as a facilities-based competitive local exchange and interexchange provider in Oregon and California. It also holds both blanket domestic and international Section 214 authorizations as described below in IV(d). Hunter Holdings is a newly formed U.S. holding company.

As discussed in more detail below, the Applicants have entered into an agreement whereby Hunter Holdings will acquire full ownership interest in Hunter Communications. The transaction will not result in any loss or impairment of service for any of Hunter Communications' customers, and will have no adverse effects upon competition in California, Oregon, or the rest of the United States. Indeed, the proposed transaction will create operational efficiencies, will provide Hunter Communications with access to Hunter Holdings' financial resources, and will not result in any harms to customers. Accordingly, the transaction will serve the public interest.

Pursuant to Section 63.04(b) of the Commission's Rules, 47 C.F.R. § 63.04(b), the Applicants are filing a combined domestic and international application for the proposed transfer of control of Hunter Communications. The Applicants provide below the information required by Sections 63.24(e)(2) and 63.04(a)(6) through (a)(12) of the Commission's Rules, 47 C.F.R. §§ 63.24(e)(2), 63.04(a)(6)-(12).

The Applicants respectfully request streamlined treatment for this Application, pursuant to Sections 63.03 and 63.12 of the Commission's Rules, 47 CFR §§ 63.03, 63.12. This Application is eligible for streamlined processing pursuant to Section 63.03 because (i) Hunter Holdings, the Transferee, currently is not providing domestic telecommunications services; (ii) Hunter Communications serves fewer than two percent of nationwide U.S. subscriber lines and Transferee (or its Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a

party to the transaction; and (iii) combined, Hunter Holdings and Hunter Communications will hold less than a ten percent share of the interstate interexchange market. Thus the transaction presents no risk of competitive harm in California, Oregon, or elsewhere.

The Application also qualifies for streamlined processing pursuant to Section 63.12 because none of the scenarios outlined in Section 63.12(c) of the Commission's Rules applies: (1) none of the Applicants is or is affiliated with any foreign carriers; (2) none of the Applicants has an affiliation with a dominant U.S. carrier whose international switched or private line services an Applicant seeks authority to resell; and (3) the Commission has not informed the Applicants that the application is ineligible for streamlined processing.

Alternatively, for the reasons set forth above, Applicants request streamlined treatment on a case-by-case approach, and for the Commission to process this Application using similar timeframes for comments and approvals as would be used for an Application granted streamlined processing.<sup>2</sup>

## **I. DESCRIPTION OF THE APPLICANTS**

### **A. Hunter Communications**

Hunter Communications is a corporation incorporated under the laws of Oregon. Its principal place of business is 801 Enterprise Drive, Central Point, Oregon 97502. Hunter Communications was founded in 1994 by its current chief executive officer, Richard W. Ryan, and owns what it believes is one of the largest privately-held fiber networks in Oregon. Its business comprises the construction, operation, and leasing of fiber networks and the provision of dedicated access circuits, point-to-point connections, and other voice and data products. Hunter Communi-

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<sup>2</sup> See *Implementation of Further Streamlining Measures for Domestic 214 Authorizations*, Report and Order, 17 FCC Rcd. 5517, para. 34 (2002).

cations also offers services such as advanced technical support and engineering solutions. Its clients are located throughout Southern Oregon and include small businesses, school districts, municipal governments, healthcare organizations, financial institutions, and other network providers. In recent years, Hunter Communications has expanded to Northern California, where it is deploying fiber in underserved areas.

## **B. Hunter Holdings**

Hunter Holdings is a limited liability company organized under the laws of Delaware. Its principal place of business is located at 1900 K Street NW, Suite 1130, Washington, DC 20006. Hunter Holdings is managed by Grain Management, LLC (“Grain Management”), which invests in and manages communications infrastructure projects in North America.<sup>3</sup> Grain Management’s private equity funds focus on investing in communications infrastructure including fiber, towers, spectrum, small cells, and satellites. Collectively, Grain Management’s investment team has over 100 years of experience as industry operators and private equity professionals. Its founder and CEO, David Grain, has over 25 years of experience in industry and 15 years in private equity. Among other positions that he held prior to founding Grain Management, Mr. Grain served from 2002 to 2006 as president of Global Signal, Inc., the largest communication tower owner/operator at the time. He has also served as senior vice president of AT&T Broadband’s New England Region.

## **II. DESCRIPTION OF THE TRANSACTION**

Pursuant to the terms of a Membership Interest Purchase Agreement (“Agreement”) dated August 12, 2019, Hunter Holdings will acquire control of Hunter Communications. Applicants expect to close the transaction by the first quarter of 2020. After consummation of the transaction,

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<sup>3</sup> See Grain Management, Overview, [www.graingp.com/team](http://www.graingp.com/team).

Hunter Communications will continue to exist and operate under the same name, and will continue to provide service pursuant to then-existing rates, terms, and conditions for the near term. Any future changes to the rates, terms, and conditions of service will be undertaken pursuant to customers' contracts, tariffs, and applicable law. No carrier change charges will result from the transaction, and no customer service or billing contact information will change as a result of the transaction.

The transaction will be transparent to the customers of Hunter Communications. All existing customers of Hunter Communications will continue to be served pursuant to existing authorizations as well as existing tariffs and contracts. The Applicants intend to enhance Hunter Communications' technical and operational standards. Following closing, Hunter Communications will enjoy access to the financial resources and technical and organizational knowhow of Hunter Holdings and its ultimate owners, in particular Grain Management. Hunter Holdings is financially well-qualified to become the new owner of Hunter Communications, and Hunter Communications will be able to maintain and advance its state-of-the-art infrastructure and bring innovative service offerings to customers in California and Oregon.

A diagram of the pre- and post-closing corporate structure of the Applicants is attached hereto as **Exhibit A**.

### **III. PUBLIC INTEREST STATEMENT**

Pursuant to Section 214 of the Act, the Commission will approve a proposed transfer of control of an authorization if it concludes that, after considering the record before it, doing so would serve the public interest, convenience, and necessity.<sup>4</sup> The Commission will inquire

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<sup>4</sup> 47 U.S.C. § 214. *See, e.g., Applications of Level 3 Communications, Inc. and CenturyLink, Inc.*, Memorandum Opinion and Order, WC Docket No. 16-403, FCC 17-142, paras. 8-11 (rel. Oct. 30, 2017) (describing the Commission's standard of review for proposed transfers of control).

whether the proposed transaction complies with relevant provisions of the Act, other applicable statutes, and the Commission's Rules, including whether the proposed transferee is qualified to hold the authorizations.

Consistent with its rules and precedents, the Commission should find that the proposed transaction is in the public interest and should approve this Application. Hunter Holdings is well qualified to become the new owner of Hunter Communications. Hunter Holdings benefits from financial and managerial resources of its direct and indirect owners, including Grain Management. As a result of its proposed new ownership, Hunter Communications will enjoy access to these resources as well.

The Applicants intend to maintain Hunter Communications' managerial, technical, and operational standards and enhance them as a result of the transaction. Following closing, Hunter Communications will enjoy operational efficiencies, the transaction will not result in any harms to customers or competition, and Hunter Communications will be able to maintain and advance its infrastructure and bring innovative service offerings to customers in California and Oregon.

Specifically, Hunter Communications will improve its quality of service and will continue to operate pursuant to existing service arrangements and authority. The transaction also poses no threat to competition in California or Oregon. Hunter Holdings is a holding company and does not operate as a carrier in California, Oregon, or elsewhere. Thus, there will be no elimination of competitors, and, as a result of this transaction, there will be no negative impact on competition in the communications market in these states or elsewhere in the country.

#### **IV. INFORMATION REQUIRED BY COMMISSION RULE SECTION 63.24(e)**

The Applicants submit the following information pursuant to Section 63.24(e) of the Commission's Rules, including the information requested in Section 63.18:

- (a) Name, address and telephone number of each Applicant:**

**Transferor:**

Richard W. Ryan  
2022 Cantrall Road  
Jacksonville, OR 97530  
Tel: (541) 734-2800

FRN: 0028773588

**Licensee:**

Hunter Communications, Inc.  
801 Enterprise Drive  
Central Point, OR 97502  
Tel: (541)734-2800

FRN: 0013769708

**Transferee:**

Hunter Communications Holdings LLC  
1900 K Street NW, Suite 1130  
Washington, DC 20006  
Tel: (202) 779-9043

FRN: 0028731792

**(b) Government, State, or Territory Under the Laws of Which Each Applicant is Organized.**

Hunter Holdings is a Delaware limited liability company. Hunter Communications is an Oregon corporation.

**(c) Correspondence concerning the Application should be sent to:**

**Hunter Communications:**

Hunter Communications, Inc.  
801 Enterprise Drive  
Central Point, Oregon 97502  
Attention: Richard W. Ryan  
Email Address: rryan@hunterfiber.com

**with a copy to:**

Perkins Coie LLP  
1120 NW Couch Street  
10th Floor  
Portland, Oregon 97209  
Attention: Brentley M. Bullock  
Email Address: bbullock@perkinscoie.com

**For Hunter Holdings:**

Matthew S. DelNero  
Thomas G. Parisi  
Covington & Burling LLP  
One CityCenter  
850 Tenth Street, NW

**with a copy to:**

Letti de Little  
Hunter Communications Holdings LLC  
1900 K Street NW, Suite 1130  
Washington, D.C. 20006  
Tel: 202) 779-9043

Washington, DC 20001-4956  
Tel: (202) 662-6000  
mdelnero@cov.com  
tparisi@cov.com

ldelittle@graingp.com

**(d) Section 214 Authorizations.**

Hunter Communications holds blanket domestic Section 214 authorization pursuant to 47 C.F.R. § 63.01. Hunter Communications also holds an international Section 214 authorization to provide individual switched resale service granted by the Commission under File No. ITC-214-20150615-00314. Hunter Holdings does not currently hold Section 214 authority.

**(e)-(g)** Not Applicable.

**(h) Ownership Information.**

The following persons or entities hold or will hold, directly or indirectly, a 10% or greater interest in Licensee as calculated pursuant to the Commission's ownership attribution rules for wireline and international telecommunications carriers:

**Pre-Transaction Ownership**

1. Hunter Communications, Inc. is wholly owned by:

Name:	Richard W. Ryan
Address:	2022 Cantrall Road Jacksonville, OR 97530
Ownership:	100%
Citizenship:	United States
Principal Business:	Individual

**Post-Transaction Ownership**

1. Hunter Communications LLC will be wholly owned by:

Name:	Hunter Communications Intermediate Holdings LLC ("Hunter Intermediate")
Address:	1900 K Street NW, Suite 1130 Washington, DC 20006
Ownership:	100%
Citizenship:	United States (Delaware)

Principal Business: Pass Through

2. Hunter Intermediate will be wholly owned by:

Name: Hunter Communications Holdings LLC  
("Hunter Holdings")  
Address: 1900 K Street NW, Suite 1130 Washington, DC 20006  
Ownership: 100%  
Citizenship: United States (Delaware)  
Principal Business: Holding Company

3. Hunter Holdings will be owned by:

Name: Grain Communications Opportunity Fund II, L.P.  
("GCO Fund II")  
Address: 1900 K St. NW., Suite 1130, District of Columbia, 20006  
Ownership: 75% (directly in Hunter Holdings)  
Citizenship: United States (Delaware)  
Principal Business: Investment Fund

Grain Management, LLC ("Grain Management") manages and is affiliated with GCO Fund II. Grain Management owns a controlling interest in WANRack, LLC ("WANRack"), WANRack is a competitive provider that builds private fiber networks for K-12 school districts. This ownership existed and was disclosed in connection with the transaction in which Great Plains Communications Holdings LLC acquired ownership of Great Plains Communications LLC. Since WANRack only offers services on a competitive basis, there is no risk of ILEC overlap as a result of the present transaction.

GCO Fund II holds 88.5% of the ownership interests in Great Plains Communications Holdings LLC, which in turn holds 100% of the ownership interests in Great Plains Communications LLC, which in turn holds 100% of the ownership interests in Great Plains Communications Long Distance LLC, Great Plains Broadband LLC, and InterCarrier Networks, LLC. No other persons or entities hold a 10% or greater ownership interest in Great Plains Communications Holdings LLC or its subsidiaries. None of these entities offer service in California or Oregon, which are the jurisdictions where Hunter Communications offers service, thus there is no risk of ILEC overlap as a result of the present transaction.

Name: RWR Hunter Holdco Inc.  
Address: 801 Enterprise Drive, Central Point, Oregon 97502  
Ownership: 25% (directly in Hunter Holdings)  
Citizenship: Delaware  
Principal Business: Holding Company

Richard W. Ryan, a United States Citizen, will be the owner at closing of the transaction of all of the capital stock of RWR Hunter Holdco Inc.

4. The limited partnership interests in GCO Fund II are held by passive financial investors. The limited partnership interests are fully insulated in accordance with the Commission's Rules. Two such limited partners hold a ten percent (10%) or greater equity interest in GCO Fund II:

Name: Board of Regents of The University of Texas System  
Address: 210 W. 7th Street, Suite 1700, Austin, TX 78701  
Ownership: 11.1% of the economic interests based on capital commitments (directly in GCO Fund II)  
Citizenship: United States (Texas)  
Principal Business: University Endowment

Name: The New York State Common Retirement Fund  
Address: 59 Maiden Lane, New York, NY 10038  
Ownership: 16.7% of the economic interests based on capital commitments (directly in GCO Fund II)  
Citizenship: United States (New York)  
Principal Business: Investment Fund

No entities hold a 10% or greater interest in either Board of Regents of The University of Texas System or The New York State Common Retirement Fund, and neither of these entities is controlled by a board or general member. No other individual or entity directly or indirectly holds a ten percent (10%) or greater interest in GCO Fund II and thus in Licensee.

5. Control of GCO Fund II resides in its general partner:

Name: Grain GP IV, LLC  
Address: 1900 K St. NW., Suite 1130, District of Columbia, 20006  
Ownership: Sole general partner of GCO Fund II  
Less than 10% equity interest in GCO Fund II  
Citizenship: United States (Delaware)  
Principal Business: Investments

6. Grain GP IV, LLC is controlled by its sole managing member:

Name: Grain Capital II, LLC  
Address: 1900 K St. NW., Suite 1130, District of Columbia, 20006  
Ownership: Sole managing member of Grain GP IV, LLC with 64.5% of the membership interests in GP IV, LLC  
Less than 10% equity interest in GCO Fund II  
Citizenship: United States (Delaware)  
Principal Business: Investments

7. Grain Capital II, LLC is wholly held by:

Name: Grain Capital, LLC  
Address: 1900 K St. NW., Suite 1130, District of Columbia, 20006  
Ownership: Sole member of Grain Capital II, LLC  
Less than 10% equity interest in GCO Fund II  
Citizenship: United States (Florida)  
Principal Business: Investments

8. Grain Capital, LLC is wholly held by:

Name: David Grain  
Address: 100 North Washington Boulevard, Suite 201, Sarasota, FL  
34236  
Ownership: Holds 100% of the limited liability company interest in  
Grain Capital, LLC  
Less than 10% equity interest in GCO Fund II  
Citizenship: United States  
Principal Business: Investments

No other person or entity, directly or indirectly, will control or own a ten percent or greater equity interest in Licensee upon the closing of the proposed transaction. Except as disclosed above, no other entities in the ownership chain report a 10% or greater ownership interest in any telecommunications provider.<sup>5</sup>

Neither Hunter Communications nor Hunter Holdings has any interlocking directorates with any foreign carrier.

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<sup>5</sup> Certain of the entities with ownership interest in Transferee have entered into two other agreements for transfer of control of other communications providers subject to the Commission's jurisdiction. The companies involved in these other transactions provide telecommunications services in Florida, Arkansas, Tennessee, and Texas. *See* WC Docket Nos. 19-239; 19-245. Thus there is no risk of overlap with any of the service areas or jurisdictions that are subject of the present application. This application is completely independent of the other two pending transactions, and once approval is received for this application, the Applicants plan to close, regardless of the outcome of the other pending transactions. Accordingly, the Applicants request that this application be reviewed independent of the other two proposed transactions.

**(i)** Applicants certify that they are not foreign carriers, nor are they affiliated with foreign carriers, nor will they become affiliated with foreign carriers as a result of this transaction.

**(j)** Applicants certify that they do not seek to provide international telecommunications services to any destination country where:

(1) An Applicant is a foreign carrier in that country; or

(2) An Applicant controls a foreign carrier in that country; or

(3) Any entity that owns more than 25 percent of Applicants, or that controls Applicants, controls a foreign carrier in that country; or

(4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of Applicants and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

**(k)** Not applicable.

**(l)** Not applicable.

**(m)** Not applicable.

**(n)** As evidenced by the signatures of Applicants' representatives to this Application, Applicants certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route, and they will not enter into such agreements in the future.

**(o)** As evidenced by the signatures of Applicants' representatives to this Application, Applicants certify that, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules,

they are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

(p) Applicants respectfully request streamlined processing of this Application pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. § 63.12(a)-(b). In particular, Section 63.12(c) is inapplicable because (1) none of the Applicants is or is affiliated with any foreign carriers; (2) none of the Applicants has an affiliation with a dominant U.S. carrier whose international switched or private line services an Applicant seeks authority to resell; and (3) the Commission has not informed the Applicants that the application is ineligible for streamlined processing. 47 C.F.R. § 63.12(c).

**V. INFORMATION REQUIRED BY COMMISSION RULE SECTION 63.04(b)**

The Applicants submit the following information pursuant to Section 63.04(b) of the Commission's Rules, which are the categories of information required by Sections 63.04(a)(6)-(12):

(a)(6): The proposed transaction is described in Section II of the Application above.

(a)(7): A description of the geographic service areas and services provided in each area is included in Section I of the Application above, and additional information related to Hunter Holdings' affiliates is found in the ownership information section.

(a)(8): Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. § 63.03. With respect to domestic authority, this Application is eligible for streamlined processing because, immediately following the transaction,

- Applicants (and their Affiliates) will have a market share in the interstate, interexchange market of less than ten percent.

- Hunter Holdings or its affiliates do not provide telecommunications services in California or Oregon, and thus there is no risk of anticompetitive concentration in the California or Oregon telecommunications markets.
- Hunter Communications serves fewer than two percent of U.S. subscriber lines nationwide, and Transferee (and its Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction.

**(a)(9):** Not applicable.

**(a)(10):** No party is requesting special consideration because it is facing imminent business failure.

**(a)(11):** Not applicable.

**(a)(12):** Consummation of the proposed transaction will serve the public interest for the reasons detailed in Section III of the Application above.

**VI. CONCLUSION**

Based on the foregoing, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application.

Respectfully submitted,

**HUNTER COMMUNICATIONS  
HOLDINGS LLC**

/s/

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*Counsel for Hunter Communications  
Holdings LLC*

**HUNTER COMMUNICATIONS INC.**

/s/

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*Counsel for Hunter Communications Inc.*

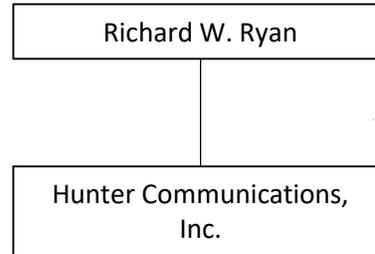
Dated: September 5, 2019

**LIST OF EXHIBITS**

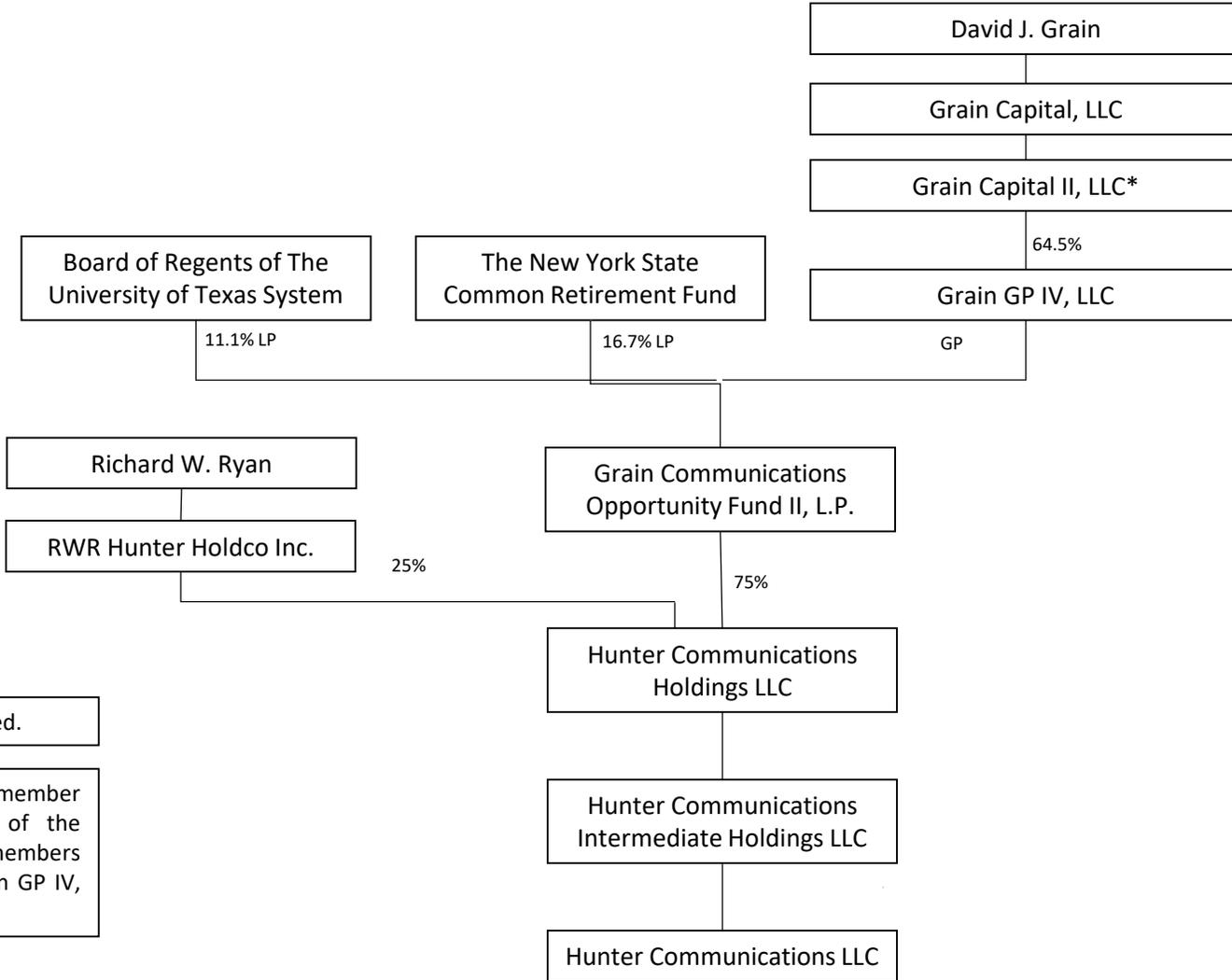
**EXHIBIT A – Pre- and Post-Transaction Ownership Charts**

**VERIFICATIONS**

## Pre-Transaction Ownership Chart



# Post-Transaction Ownership Chart



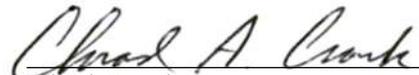
All ownership is 100% unless otherwise noted.

\*Grain Capital II, LLC is the only managing member of Grain GP IV, LLC, and has 64.5% of the membership interests. Non-managing members own a combined interest of 35.5% in Grain GP IV, LLC

## VERIFICATION

I, Chad Crank, state that I am Chief Executive Officer of Hunter Communications Holdings LLC; that I am authorized to make this Verification on behalf of Hunter Communications Holdings LLC; that the foregoing application was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

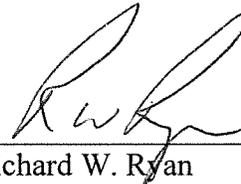
I declare under penalty of perjury that the foregoing is true and correct. Executed this 4th Day of September, 2019

  
Chad Crank  
CEO  
Hunter Communications Holdings  
LLC

## VERIFICATION

I, Richard W. Ryan, state that I am Chief Executive Officer of Hunter Communications Inc.; that I am authorized to make this Verification on behalf of Hunter Communications Inc.; that the foregoing application was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this Fourth Day of September, 2019.

A handwritten signature in black ink, appearing to read 'R. W. Ryan', is written above a horizontal line.

Richard W. Ryan  
Chief Executive Officer  
Hunter Communications Inc.